

**LEGISLATIVE SERVICES AGENCY
OFFICE OF FISCAL AND MANAGEMENT ANALYSIS**

200 W. Washington, Suite 301
Indianapolis, IN 46204
(317) 233-0696
<http://www.in.gov/legislative>

FISCAL IMPACT STATEMENT

LS 7430

BILL NUMBER: HB 1429

NOTE PREPARED: Jan 3, 2003

BILL AMENDED:

SUBJECT: IURC Communications and Deadlines.

FIRST AUTHOR: Rep. Mahern

FIRST SPONSOR:

BILL STATUS: As Introduced

FUNDS AFFECTED: X GENERAL
X DEDICATED
FEDERAL

IMPACT: State & Local

Summary of Legislation: This bill prohibits a Commissioner, an administrative law judge, or an employee of the Indiana Utility Regulatory Commission (IURC) who is assigned to a formally docketed proceeding from communicating with a party to the proceeding unless certain requirements are met.

It also establishes certain deadlines relating to proceedings before the IURC.

Effective Date: Upon passage.

Explanation of State Expenditures: This bill could increase the administrative burden of IURC staff and Commissioners. However, it is presumed that any impact could be covered using the Commission's existing staff and resources.

Explanation of State Revenues: *Penalty Provision:* This bill would allow IURC administrative law judges, Commissioners, or employees assigned to a formally docketed proceeding before the IURC to communicate with a party involved in the proceeding, if the party agrees to submit a written notice of the communication with the administrative law judge or commissioner assigned to the party's proceeding and the Secretary of the Commissioner for inclusion in the public record.

A party that fails to report communication with affected IURC staff members would commit a Class C infraction. If additional court cases occur, revenue to the state General Fund may increase if infraction judgments and court fees are collected. The maximum judgment for a Class C infraction is \$500 which is deposited in the state General Fund. If court actions are filed and a judgment is entered, a court fee of \$70 would be assessed. 70% of the court fee would be deposited in the state General Fund if the case is filed in

a court of record or 55% if the case is filed in a city or town court.

Background on IURC and Office of the Utility Consumer Counselor (OUCC) Funding: The operating budgets of the IURC and OUCC are funded by regulated utilities operating in Indiana. The IURC determines the rate at which to bill the utilities based on the two agencies' budgets, less reversions, divided by the total amount of gross intra-state operating revenue received by the regulated utilities for the previous fiscal year. Based on this formula, utilities are currently billed approximately 0.10% of their gross intra-state operating revenues to fund the IURC and OUCC. In FY 2002, fees from the utilities and fines generated approximately \$9.5M.

Explanation of Local Expenditures:

Explanation of Local Revenues: *Penalty Provision:* If additional court actions are filed and a judgment is entered, local governments would receive revenue from the following sources: (1) The county general fund would receive 27% of the \$70 court fee that is assessed in a court of record. Cities and towns maintaining a law enforcement agency that prosecutes at least 50% of its ordinance violations in a court of record may receive 3% of court fees. If the case is filed in a city or town court, 20% of the court fee would be deposited in the county general fund and 25% would be deposited in the city or town general fund. (2) A \$3 fee would be assessed and, if collected, would be deposited into the county law enforcement continuing education fund. (3) A \$2 jury fee is assessed and, if collected, would be deposited into the county user fee fund to supplement the compensation of jury members.

State Agencies Affected: Indiana Utility Regulatory Commission.

Local Agencies Affected: Trial courts, local law enforcement agencies.

Information Sources:

Fiscal Analyst: John Parkey, 317-232-9854